



Senate

General Assembly

File No. 520

February Session, 2002

Substitute Senate Bill No. 423

Senate, April 16, 2002

The Committee on Finance, Revenue and Bonding reported through SEN. LOONEY of the 11th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE O'NEILL CENTER AND THE CONNECTICUT STATE UNIVERSITY'S BIDDING PROCESS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10a-151b of the general statutes is amended by
2 adding subsection (i) as follows (*Effective July 1, 2002*):

3 (NEW) (i) For the period from July 1, 2002, to June 30, 2006,
4 inclusive, any funds or revenues collected from ticket sales by the
5 contractor hired by Western Connecticut State University to operate
6 and manage its O'Neill Center, shall not be deemed to be state funds
7 for the purposes of sections 4-32 and 4-33 and may be deposited in the
8 contractor's account for a period of time not to exceed forty days,
9 during which time the contractor shall pay all expenses related to the
10 event for which the tickets were sold and make an accounting of the
11 portion of the funds to be remitted to the university, and then remit
12 such funds to the university pursuant to the terms of the contract.

13 Upon receipt of such funds, the university shall deposit such funds in
14 accordance with the provisions of sections 4-32 and 4-33.

15 Sec. 2. Subsection (b) of section 10a-151b of the general statutes is
16 repealed and the following is substituted in lieu thereof (*Effective July*
17 *1, 2002*):

18 (b) Purchases made pursuant to this section shall be based, when
19 possible, on competitive bids or competitive negotiation. Such chief
20 executive officer shall solicit competitive bids or proposals by sending
21 notice to prospective suppliers and by posting notice on a public
22 bulletin board in his office. Such notice shall contain a notice of state
23 contract requirements pursuant to section 4a-60. Each bid or proposal
24 shall be kept sealed until opened publicly at the time stated in the
25 notice soliciting such bid or proposal. Sealed bids or proposals shall
26 include bids or proposals sealed within an envelope or maintained
27 within a safe and secure electronic environment until such time as they
28 are publicly opened. If the amount of the expenditure is estimated to
29 exceed fifty thousand dollars, competitive bids or proposals shall be
30 solicited by public notice inserted at least once in two or more
31 publications, at least one of which shall be a major daily newspaper
32 published in the state, and shall be posted on the Internet, and at least
33 five calendar days before the final date of submitting bids or
34 proposals. All purchases fifty thousand dollars or less in amount shall
35 be made in the open market, but shall, when possible, be based on at
36 least three competitive quotations. If desired by the constituent unit,
37 competitive quotations shall include quotations submitted to the
38 constituent unit within a safe and secure electronic environment.

This act shall take effect as follows:	
Section 1	<i>July 1, 2002</i>
Sec. 2	<i>July 1, 2002</i>

ED Joint Favorable Subst. C/R

FIN

FIN Joint Favorable Subst.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

Section 1 of the bill reflects current practice and does not result in any fiscal impact to the state. The O'Neill Center, a multi-purpose athletic facility, is located on the campus of Western Connecticut State University. The university hired Aramark,¹ a private contractor, to operate and manage the center. Ticket revenues from events that take place at the center are used to cover operation costs. The language of the bill allows monies to be deposited in the contractor's account for an extended period in order to cover expenses before remitting funds to the university.

Section 2 of the bill allows for electronic bidding in addition to the traditional "sealed bids and proposals" process and would result in no fiscal impact to the state.

¹ Aramark also manages and operates the Hartford Civic Center.

OLR Bill Analysis

sSB 423

**AN ACT CONCERNING THE O'NEILL CENTER AND THE
CONNECTICUT STATE UNIVERSITY'S BIDDING PROCESS****SUMMARY:**

From July 1, 2002 to June 30, 2006, this bill exempts money Western Connecticut State University's contractor for the O'Neill Center collects from ticket sales for center events from regular requirements for depositing state funds. The requirements are that funds be paid to the state treasurer or deposited in the state's name according to the treasurer's regulations within 24 hours of being received, if they total \$500 or more, or within seven days, if less than \$500. Instead, the bill allows the contractor to deposit ticket money in its own account for up to 40 days. During that time, the contractor must pay the event's expenses and account for, and pay the share due, to the university under its contract. Once the university receives its share, it must deposit the money according to regular state procedures.

The bill also allows public education constituent unit or institution chief executive officers (CEOs) to accept electronic bids, quotations, and proposals for equipment, supplies, and contractual services. It allows them to meet requirements to keep certain bids "sealed" either by sealing the bid or quotation in an envelope or keeping it in a safe and secure electronic environment.

EFFECTIVE DATE: July 1, 2002

BACKGROUND***Higher Education Purchasing Authority***

By law, higher education CEOs must solicit competitive bids or proposals whenever they buy equipment, supplies, or contractual services costing more than \$10,000. Bids for purchases over \$50,000 must be publicly advertised in at least two publications, including a major daily paper published in the state, and posted on the Internet.

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute Change of Reference

Yea 28 Nay 0

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 45 Nay 0